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A N
IMPORTANT CRISIS,
IN THE
CALLICO and MUSLIN MANUFACTORY
IN GREAT BRITAIN, EXPLAINED.

FEW questions of greater importance than what is now to be stated, on a subject of Inland Commerce, have ever engaged the attention of the British Government.

The magnitude of the object, and the various interests which are involved in the discussion, cannot fail to press the subject on the mind of every person connected with the Political, the Landed, or Commercial Interests of Great Britain.

The Cotton Manufactory, although generally believed to be very extensive, yet the magnitude of this trade, and the national advantages derived from such a combination of human labour with ingenious machinery, can scarce be supposed to have made an impression equal to the importance of the object; because the progress has been rapid beyond example.

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—It has burst forth, as it were, upon the country, in a moment, giving a spring at the same time to the industry of the people, unexampled in the annals of the world*.

It is not above twenty years since the whole Cotton Trade of Great Britain did not return 200,000*l.* to the country for the raw materials, combined with the labour of the people; and at that period, before the water machinery and hand engines were successfully introduced †, the power of the single wheel could not exceed *fifty thousand spindles* employed in spinning the Cotton Wool into yarns.

* The Cotton Machinery in full work, is now supposed to produce as much yarn as would equal the labour of One Million of persons, according to the old system of spinning upon the single wheels.

† It is perhaps not generally known, that the yarns spun upon the water mills are hard twisted, and therefore only fit for one part of the Manufacture, namely, the warps. The weft, or shute yarns, are for the most part spun upon the hand machines, or jennies; and it is worthy of remark, that about the same period, and coeval to the invention of water mills, the discovery was made of multiplying the powers of the common hand wheels, so as to spin at first from five to ten, and from that number to 80 threads (now the power of a single jennie,) which being wrought by one man, with the assistance of a woman to prepare the cotton, and a boy or girl to tie the broken threads, gives a facility to human labour in this Manufacture, which is scarce conceivable.

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At the present moment, this power of spindles, capable of being applied to the same purpose, amounts nearly to *two millions*, in all Great Britain; and the gross return for the raw materials and labour, exceeds *seven millions sterling*.

At so late a period as the year 1781, the Cotton Wool, which remained in the country for Manufactures, (after deducting the exportation) did not much exceed five millions of pounds.—In 1784, there was an increase of six millions; making the whole, eleven millions of pounds.

About this time, the expiration of Sir Richard Arkwright's patent diffused the knowledge of spinning by water machines.—Mills were erected in every part of the country, for spinning the warps; and the hand engines, or jennies, for the wefts, increased in proportion, inasmuch, that at present there appears to be 143 water mills, and above twenty thousand hand engines in Great Britain.

This immense power of machinery, (which with the necessary buildings and other appendages, has not cost less than *one million*

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sterling,)

sterling*,) is capable of spinning into yarns above twenty millions of pounds of cotton yearly, equal in value to upwards of one million and one half sterling, for the raw material; which, when so spun into the various qualities for the Manufacture, will be raised in value to four millions of money for the yarns alone.

These establishments, when in full work, are estimated to give employment, in spinning alone, to about *twenty-six thousand men, thirty-one thousand women, and fifty-three thousand children*; and in the subsequent stages of the Manufacture, until it arrives at maturity, the number of persons employed are also estimated to amount to one hundred and thirty three thousand men, fifty-

* 143 Water mills, supposed originally to cost 6000l. on an average; but here only averaged at 5000l.	£. 715,000
550 Mule Jennies or machines, partaking of the nature both of the water mill and common jennies, consisting of 90 spindles each,	19,250
20,070 hand jennies of 80 spindles each, with all appendages,	140,490
Reels, wheels, carding machines, and buildings for the whole hand machines,	125,260
	£. 1,000,000

N. B. This estimate does not include the value of the looms employed, which have cost an immense sum.

These

fifty-nine thousand women, and forty-eight thousand children; making an aggregate of

These 143 Water mills are usefully diffeminated all over the country, extending the benefits of profitable labour to every corner of the nation, as appears from the following statement, viz.

Isle of Man, one Mill	1
Mills in Lancashire	41
Idem in Derbyshire	22
Idem in Nottinghamshire	17
Idem in Yorkshire	11
Idem in Cheshire	8
Idem in Staffordshire	7
Idem in Westmoreland	5
Idem in Flintshire	3
Idem in Berkshire	2
Idem in Surry	1
Idem in Hertfordshire	1
Idem in Leicestershire	1
Idem in Worcesterhire	1
Idem in Pembrokehire	1
Idem in Gloucestershire	1
Idem in Cumberland	1
Total in England	123
Mills in Lanerkshire	4
Idem in Renfrewshire	4
Idem in Perthshire	3
Idem in Mid Lothian	2
Idem in Airshire	1
Idem in Galloway	1
Idem in Anandale	1
Idem in Bute	1
Idem in Aberdeenshire	1
Idem in Fifeshire	1
Total in Scotland	19
Aggregate Total	143

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one hundred and fifty-nine thousand men, ninety thousand women, and a hundred and one thousand children, employed in this branch of trade.

Such at present is the nature and importance of the Cotton Manufactory—to the public at large as a source of extensive revenue and national strength—to the Landed Interest, as a means of employing the poor, and encreasing the value of the produce of the country;—and to the Commercial Interest, by the augmentation of trade, created by this astonishing combination of human and artificial labour*.

Comparatively speaking, no manufacture that ever was introduced into any country has been so advantageous to the State.

These artificial powers produce what *is* equal to a great encrease of people usefully employed. The people themselves, fostered as it were by the resource derived from such powers, multiply beyond the common ratio; and children that formerly subjected the country to a great expence in rearing to maturity, in place of diminishing, actually add to the riches of a family.

* The West India Planters are not less concerned in the success and extension of the Cotton trade than the various interests above mentioned. In many instances their estates cannot be turned to the culture of any other article but Cotton Wool.

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The additional Revenue arising from the consumption of whatever is subject to a duty, whether exhausted (as in the case of stamps, soap, candles, * &c.) in the manufacture or consumed in families in tea, sugar, ale, and other articles, will best be ascertained by a review of the encrease of the public revenue in those counties in England and Scotland, where the Cotton Manufactory has been established. †

It has already been stated, that in the year 1784, the raw material of cotton wool, (after deducting the exportation) amounted to about *eleven millions*. The following year it extended to the astonishing height of nearly eighteen millions. In 1786 there was an encrease of upwards of one million more, and in 1787, the net quantity exceeds *twenty-two millions of pounds*.

* It has been estimated, that above the value of sixty thousand pounds annually, in candles alone, are consumed in the various Mills and Jennie houses, where the spinning is carried on—besides soap, &c. The Revenue is therefore of a two-fold nature,—it arises both from the Manufactory and from the people.

† It is an object of great importance to consider, whether by extending the cultivation of cotton in the British West India Islands, and by importing the finest cotton from the East Indies (which our own lands cannot produce), an arrangement might not be made beneficial to the British territories, both in America and the East Indies.

Of

Of this great aggregate the following estimate has been made of the particular growths, which are taken in round numbers, as it is impossible to be correct to a point.

	lb.
British Islands * ——— ——— ———	6,600,000
French and Spanish Settlements, about —	6,000,000
Dutch Settlements, about — —	1,700,000
Portuguese settlements, ——— ———	2,500,000
East Indies, (a small quantity obtained last year at Ostend,) ——— ———	100,000
The Smyrna or Turkey Cotton, about —	5,700,000
Aggregate Total	22,600,000

This immense quantity of Cotton (according to an estimate made by intelligent Manufacturers) is supposed at present to be applied nearly as follows :

	lb.
1. To the Candle-wick branch	1,500,000
2. To the Hosiery branch	1,500,000
3. To Silk and Linen mixtures	2,000,000
4. To the Fustain branch	6,000,000
7. To Callicoes and Muslins, &c.	11,600,000

Total pounds of Cotton 22,600,000

Thus it appears, that upwards of two thirds of the whole Cotton consumed is purchased from foreigners, at the expence of one million two hundred thousand pounds sterling at least. —The improvements however in the culture of

* In this estimate a deduction is made from the actual quantity imported from these Islands, to the extent of what is supposed to be of foreign growths.

this

this article in Barbadoes, added to the acquisition of the fine Cotton of the growth of Surinam and the Brazils, has been the means of introducing and extending the Muffin Manufacture, during the last three years, to a height that is almost incredible : And this circumstance has incontestably proved, that nothing is wanted but a fine raw material, to fix in Great Britain, for ever, a decided *pre-eminence in the manufacture of Muslins.*

It is of all others, that branch of the Cotton Trade, which is of the greatest importance in a national point of view, because the whole process consists of *labour alone*, in many instances performed by women and children.—And the value of the raw material applied to this article, is generally encreased from 1000 to 5000 *per cent.*

In the course of the last year, Cotton Yarns have been spun from Demerary and Brazil Wool, sufficiently fine for those qualities of Muffin, in the most general use; and from the small quantity of East India Cotton, which has been procured, specimens of the skill and dexterity of the spinners have been manifested, by producing yarns so very fine as to extend to 205 hanks in the * pound, drawn out of about two pounds of the raw material—Each

* There is generally about one half waste Cotton in preparing the Wool, for the finest yarns, which is in part applied to coarser purposes afterwards.

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hank,

hank, when extended, measures 840 yards; and the whole is of a length nearly equal to 100 miles.

It is thus familiarly stated, to assist the mind in forming a conception of the astonishing progress which has been made in this new branch of trade: And yet it can only be considered as in its infancy: But if a judgment is to be formed of its importance from the progress of the last two years, it may fairly be stated as one of those acquisitions which ought to be cherished as a valuable resource, which cannot be too highly estimated.

The great increase of the consumption of the raw material,* to an extent beyond all conception for the last three years, is to be ascribed in no small degree to the extension of the Callico Manufacture, and to the acquisition of the Muslins.

* In 1783, The nett quantity of Cotton Wool, which remained in the Country for the Manufactures, amounted to		lb.	9,546,179
In 1784, It increased to	- - - -	11,280,238	
In 1785, There was a further increase to	- - - -	17,992,888	
In 1786, It advanced to	- - - -	19,151,867	
And in 1787, It extended to	- - - -	22,600,000	
In 1783, the gross value of Cotton goods, made, is estimated at	— — — —	£.	3,200,000
In 1784	— — — —	Idem	3,950,000
In 1785	— — — —	Idem	6,000,000
In 1786	— — — —	Idem	6,500,000
In 1787	— — — —	Idem	7,500,000

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An important crisis however in the situation of both these branches renders the events of the present period extremely critical and interesting.

The pressure of the occasion makes it of the utmost importance, that the nature and extent of the danger which at present threatens nearly one half of the Cotton Trade in Great Britain should be well understood. The case is sudden, and perhaps without example.

The rapid increase of the Manufacture, brought into existence, as it were, in a moment, is checked and threatened with ruin at the same moment, by the great increase* of goods of a

	Pieces of Mullin.	Pieces of Callico.	Pieces of Nankeens.
* The sales of the East India Company in 1787, amounted to	304,762	403,875	83,009
The average sales of the Company, for the seven preceding years, from 1780 to 1786 inclusive, is	185,964	253,450	27,380
Increase in 1787.—In Mullin	118,798	150,425	55,629
In Callic.	150,425		
In Nank.	55,629		
Aggregate increase	324,852	— Pieces of India goods	
	Average 7 yrs.	1787.	
Total brought to sale.—Mullins	185,964	304,762	
Callicoes	253,450	403,875	
Nankeens	27,380	83,009	
	466,794	791,646	
	C 2	similar	

similar species and quality with the British Calicoes and Muslins, pressed upon the market by the East India Company and their servants, under circumstances where the just and equal rules of competition, cannot operate—leaving the British Manufacturers no alternative, but to sell their property at a loss pregnant with ruin; or to *abandon their own market to the Calicoes and Muslins of India.*

Were the present distress to be ascribed, either totally or in part, to a rise in the price higher than the consumers were accustomed to pay, the British Manufacturers would have had no cause to complain. But this competition checks the home trade at a moment when the quality of the goods are not only greatly improved, but after prices had been reduced to as low a standard, as an extensive and fair competition among the numerous British Manufacturers could render it possible to do, without being subject to a loss.

Perhaps it may arise from circumstances merely adventitious, or from a system in the affairs of the East India Company, which has no immediate view to crush or distress the rival Manufacturers at home;—but from whatever cause it proceeds—the sudden reduction

of

of the prices * of almost every species of India goods, below any standard that could have been conceived, and at a crisis, too, when the British Manufacturers had prepared large quantities for the consumption, is an event, which, in the present very singular situation of the trade, presses exceedingly for the interference of Government.

It is not a crisis in the Manufacture of that nature, which often arises in every branch of trade, where a temporary stagnation is succeeded by a brisk demand.

	the average of.	per piece.	difference of prices
* Fine Coffac Muslin, which			
fold in — —	1783,	at 154s.	} about 50 per cent.
Were fold in — —	1787,	at 100s.	
Inferior Coffac Muslins,			
which fold in — —	1783,	at 54s.	} 60 per cent.
Were fold in — —	1787,	at 34s.	
Lowest quality of Coffac			
Muslin, in - -	1783,	at 39s.	} 100 per cent.
Were fold in - -	1787,	at 19s. 11d.	
Doreas, or striped Muslins,			
which fold in - -	1783,	at 154s.	} 50 per cent.
Were fold in - -	1787,	at 100s.	
Mulmuls, or thin Muslins,			
which fold in - -	1783,	at 90s.	} 33 per cent.
Were fold in - -	1787,	at 67s. 6d.	

So far as the above reduction extends the duty upon the quantity consumed, is reduced since 1783, from one-third to one-half of what was then paid.

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The evil has a much deeper root. From the rapid encrease of the trade, it is plain to demonstration, that in the common articles of apparel there is not room in the British markets both for the home Manufactures, and for the same species of goods imported from India.

It comes therefore to be a question of state policy, to whom the preference should be given?

Independent of what the British Manufacturers have to plead, as being the immediate subjects of the state—as contributing, by themselves and the great body of the people they employ, to the resources, the strength, and the security of the nation, by the increase of population and certain permanent revenue; they have to state, that these advantages, and the support of the large establishments they have made, depend on their having a decided preference in their own market. If precedents are even necessary in the case of the East India Company, the statute books * exhibit a progressive system of pro-

* The Statute of the 11 and 12 of Will. III. cap. 10. in its preamble runs thus:

“Whereas it is most evident that the continuance of the trade to the East Indies in the same manner and proportions as it hath been for two years last past, must inevitably be to the great detriment of the kingdom, by exhausting the treasure thereof, and taking away the labour of the people, whereby many of the Manufacturers of this nation become excessively burdensome and chargeable to their respective parishes, and others are thereby compelled to seek employment in foreign parts:

protection for more than a century. And surely upon no principle of natural right, of sound policy, or public expediency can it be asserted, that the British market should not be completely open to its own native Manufactures.

“Be it enacted, &c. That Silks of the East Indies and Calicoes printed in that country shall not be worn in England, &c.”

The Statute of 7 Geo. I. cap. 7. extends these prohibitions still farther. It states, “That whereas it is most evident that wearing Printed Calicoes in apparel tends to the detriment of the Woollen and Silk Manufacture in the kingdom, and to the excessive increase of the poor, and may prove the ruin of the Manufacturers and many thousands of your Majesty’s Subjects, if not effectually prevented:

“Be it enacted, &c. That Calicoes printed in Great Britain shall not be worn for Home Consumption, &c.”

About the year 1732 a new Manufactory of British Callicoe, made one half of cotton and one half of linen yarns, was introduced into the country, and being British Manufacture, by an Act of 9 Geo. II. (1735) it was allowed to be worn when printed, still excluding India Calicoes. And by an Act of 14 Geo. III. this indulgence was extended to goods made wholly of Cotton, which were about that time introduced into the country, and are now called British Calicoes, whereof near One Million of pieces are made yearly.

Without

Without wishing in any respect to lessen or abridge the importance of the British territories in India, it may be fairly stated that this Nation can only look for certain and permanent resource and protection *in the bosom of the Country*—in the produce of the industry of the people, and in the fit application of this industry, than which no article that ever the wit of man devised affords so copious a field as the Cotton Manufactory.

The territories of India and its revenues, whether in possession or prospect, are held by a much more precarious tenure. Independent of the heavy expence of protection, these territories may be wrested from this country by the fortune of war, or by other means producing the same effect.

In every view therefore the claims on behalf of these distant settlements to be placed nearly on a footing with the National Manufactures, must fall to the ground. And if the revenue in question is to be remitted in Cotton goods, similar to what can be produced in Great Britain, such revenue is *fallacious*—it is only worth the amount *of the raw material*; and, circumstanced as the British artists now are, with powers to carry the Cotton Manufactory to any extent, a revenue so paid becomes a *serious misfortune*, in so far as it trenches upon

upon that labour which could be performed at home with those infinite advantages to the state, which never can be derived from the same species of industry applied to the Manufactures of India.

Thus it appears, that what may possibly be conceived at first view as a national blessing, shall, under certain circumstances, prove a great public misfortune.

Not that it is meant to insinuate, that the British territories and the trade of India are incapable of being rendered beneficial to Great Britain. The resources of that country are very extensive in various raw materials, to the culture of which it may be possible by degrees to turn the industry of a part of the people, who may be much more beneficially employed than in earning the scanty pittance they receive for their manufactures; and upon which, notwithstanding the low price, the East India Company are said to make no profit.

In stating, however, what occurs on the subject of the Manufactures of India, it is only meant to extend to that proportion which occupies the British market, and can be produced of the same quality at home.

Independent of this consumption, there are many resources open to the company; and should they see it expedient to make up the deficiency, by the importation of the finest

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Surat Cotton Wool *, there can scarce remain a doubt of their being able to send home the revenues of India with less loss than by the importation of Manufactured goods, *because of the extensive field which the great and sudden improvement of the Manufacture of fine muslins has opened in Great Britain for the consumption of the raw material, and the very liberal price at which it can be sold above any other species of the growths of America.*

But besides the fine cotton wool of India, it might perhaps be possible to augment the quantity of raw silk. The importation of indigo might also be increased, and perhaps the article of cochineal could be successfully introduced, together with madder roots (which are said to be of an excellent quality) as well as various other articles useful in the home Manufacture, for which Great Britain could pay India at least *One Million Sterling*, without trenching upon any interest connected with the West India

* The size of a bale of India Cotton is about three feet in length and breadth, and in thickness about two feet and a third. It is extremely well calculated for stowage, and is so hard pressed as to contain 3 cwt. in the above small compass. But by picking it still cleaner, and freeing it totally from every kind of foulness (which can be done at a very trifling expence in India) the real staple would not only go into a smaller compass; but the value of a bale might be increased to 25 per cent. and pay a freight equal to tea.

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Islands *, or taking away one shilling which is not at present paid to foreign countries.

In this view, a change of system, applicable to the present state of the British Manufactures, is certainly well worth the attention of Government, and also of the East India Company; for although the present system of reducing prices, and encreasing the quantity of India goods floating in the British market, may ruin one half of the establishments now going forward, and occasion the most unparalleled distress to the nation, without benefiting the Company; yet from the facilities and knowledge, added to the powers of competition, which may remain with the more opulent Manufacturers, this trade can never be an object to the East India Company, and the sooner that it is abandoned, the better.

It may indeed be argued, that this Company have large pecuniary engagements to comply with, and must sell their goods for what they will bring, in order to raise money.

The British Manufacturers have the same urgent necessity to plead, with this difference

* The very fine Cotton and Indigo here alluded to cannot be produced in any of the British West India Islands to any profit, or in any quantity; therefore it does not in the least degree interfere.

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however

however against them, that by selling at a loss* they are ruined, and by withholding also their sales they are equally distressed, because the support of their credit in many instances depends on such sales being made. But the credit of the East India Company hangs on no such contingency. The resources of that respectable body have been greatly increased of late, and no limited restraint can be supposed to affect them.

Very different indeed is the situation of the British Manufacturers! In every view the consequences are interesting and calamitous, both to the individuals concerned and to the nation; for on a supposition that only one half of the mills and machinery now in use were to be suddenly thrown idle, it would not merely be the loss of *half a million* of money sunk in this machinery, which must become rubbish, and sell for nothing; but in the derangement of a great and useful system; in the loss of the extensive powers derived from the combination of human and artificial labour, perhaps equal to the common exertions of half a million of

* According to the prices of India goods at the last sale, the British Manufacturers, if they sell their stocks on the same terms, must submit to a reduction of capital usefully employed, to the extent of 160,000l. at least. Their goods on hand increase daily, and the yarns are also accumulating very fast, because the proprietors of mills cannot discharge their people trained to the business, without certain ruin.

people;

people; and in the calamity which would result from throwing idle a great body of men, women and children, trained at much expence to this business, many of whom without any other resource but to return upon the parishes or hospitals, from whence this useful branch of industry had drawn them.

Nor is it to be supposed, if by a sudden misfortune of this kind the capitals of a great body of the Manufacturers are to be dissolved, and their active powers in their own country either checked or taken away, that some of the enterprising foreign nations* around may not wish to build a foundation on these extensive ruins, by inviting the British artists, with many of those who have been trained by their skill and industry to look for that subsistence and asylum abroad which a ruined fortune denies them at home.

Such are the extensive mischiefs which would probably result from depriving the British Manufacturer of the complete possession of the home market!

It is impossible to estimate the national loss that would result from any derangement of a

* Orders have lately been sent to Manchester, to purchase yarns for the use of the Foreign Cotton Manufactures.

system

system which is ready to spring upon the country, fraught with advantages which no nation on earth ever enjoyed; for there is no given extent which the mind of man can conceive, to which the cotton trade in Great Britain may not go, if properly protected.

The national advantages therefore in prospect may be estimated exceedingly beyond what are in possession, and it is only necessary to recur to the important fact relative to the astonishing increase of the consumption of the raw material for the last three years*, to raise in the mind conceptions with regard to this trade, unbounded as a source both of productive revenue and national strength.

Let it even be admitted, that it has advanced too rapidly, and that it has extended too far; it is only an additional argument for its protection. The powers of machinery are created. The people are trained, and their industry is applied to the general system.

It would therefore be a species of political murder to allow these powers to perish, while it is possible to administer any remedy, by which they may be fostered and kept alive.

It is an interesting subject in every point of view. It involves in it the whole extent of the various interests of the country.

* See page 10.

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It is a crisis, which hangs up as it were in a balance a very extensive and productive branch of the cotton trade, either to be gained or lost to the country, by the measures which shall preponderate the scale.

It is a case sudden and without example, and requires a remedy to be administered with promptitude, and equal to the pressure of the occasion.

The distresses already manifested*, and which must soon burst forth upon the country in a much greater degree, is a feature in the present discussion extremely unpleasant to bring forward. But facts are stubborn arguments, and on the present occasion a regard to the national prosperity requires that they should be stated.

Let the Manufacturers and the Cotton Spinners indulge a hope, that the East India Company will view the national importance of this trade, through that just medium, by which Englishmen estimate the prosperity of their native country.

* The utmost distress prevails among the cotton spinners in many of the populous towns in Lancashire and Cheshire, who spin upon the jennies; and representations are said to be sent to his Majesty's Ministers, claiming the protection of the British Government against the Manufactures of India.

Let

Let a hope also be indulged, that this Great Company, and the respectable body of men, who direct its operations, will consider the case of the British Manufacturer with dispassion, and with a just regard to the general interests of the Empire: And by seeing the importance of this trade, that they will look for other commercial resources, by which the intercourse between Great Britain and India may be turned into a channel, calculated to foster, to enrich, and to support each other.

Let a hope at all events be encouraged, that the experiment will be tried; that ideal difficulties shall not stand in the way of a system, pregnant with so much good to both Countries; and that the aid of a British Minister will not be withheld, at so interesting a crisis.

It is yet possible, to establish in Great Britain, a pre-eminence in the Cotton Trade, which must secure it to the country, for centuries to come, *to the exclusion of all Europe*. Every consideration therefore, of revenue on East India goods, can only be estimated as dust in the ballance, when opposed to the support of a system, which must repay it, a thousand fold.

The Silk Manufacture was thought of sufficient importance almost a century ago, to occasion

caution a legislative regulation, calculated to give it complete protection, in opposition to the similar manufactures of India.

The Cotton Trade, in point of magnitude and importance in profitable labour, goes so exceedingly beyond most branches of Manufacture, in behalf of which a decided protection is established, that the propriety of its being also secured certainly cannot admit of a question.

It is believed that the prohibition upon the silk goods of India was not materially felt in that country. The labour of the people went on as formerly, and other sources of employment were found.

The same would probably happen with regard to the calicoes and muslins.

The Cotton Manufactures of Bengal and the other territories of India, are too extensive to feel the effect of any diminution, which may arise from such fit arrangements as it may be necessary to make in Great Britain for the security of the home trade*.

A change of system therefore, on the part of the Company, if followed up by such regulations as shall direct the industry of a part

* It has been asserted, that the Northern parts of Africa would take immense quantities of Cotton goods, if proper measures were adapted to disseminate the trade in those populous countries.

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of the Hindoos, and other natives of India, to a channel better adapted to the British Commerce, may be attended with the most salutary consequences.

To the British Manufacturers, the mere impression fixed on the minds of the purchasers of calicoes and muslins, that they were not to be counteracted by a sudden influx of India goods, would prove as beneficial as the act itself of withholding sales.

At present that spirit of speculation, so necessary to give energy to trade, is checked at all hands, by the dread upon the minds of the buyers, of being subjected to a loss in consequence of the great uncertainty with regard to the extent of sale, and the rapid fall in the prices.

Thus the dealers are afraid to purchase, and the British Manufacturers, from the late unusual frequency of sales at the East India House, (particularly in the private trade) are unable to vend their goods to any extent.

Were it possible to remove this impression, to give the dealers some sort of security, that no event could take place, which would suddenly reduce their property, either by limiting the quantity to be imported, or limiting the up-set price; large sums would still be vested
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in British muslins and calicoes, and a spirit would be given to the trade, which could not fail to be very beneficial.

Those middle men, between the Manufacturers and the retailers (who have large capitals, which they would occasionally lay out in British goods, to the great ease and convenience of those, whose dependance are on quick sales,) are at present restrained and kept back, *because a system prevails in the mode of selling East India goods, (by selling under prime cost) which trenches upon every common principle, by which the rise and fall of merchandize is regulated;* and thus it happens, that the British Manufacturers have two evils to combat—the *real competition from the excessive quantity of India goods, not likely to be diminished, because unprofitable, and the impression on the minds of the buyers which this circumstance creates;* and which are equally hostile to those aids arising from quick sales, by which the Manufacturers are enabled to go on.

This effect, (which must be obvious to all who are acquainted with Commercial ideas) is stated merely to shew, that by placing the Manufacturers on a certainty, with regard to the actual extent of any competition in the same trade; the benefit they must derive,
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would extend exceedingly beyond the mere quantity of India goods, that may be withdrawn from the British consumption.

Nor would the advantages be less to the Company in their general foreign sales; for no person can estimate the mischiefs which result from pressing forward upon a market immense quantities of goods, indefinite and not ascertained, till near the period when a sale is to take place.

Combining therefore the advantages likely to result from importations of the raw material, with a new system in the sales of the East-India Company; there is every reason to believe that a plan may be formed, by which the British territories in Europe and the East Indies may become mutually beneficial to the commerce, the strength and the security of the British Government in every part of the World.

London, 9th April, 1788.

F I N I S.